

Social Security in Review

SSA Service Provides Vital Status Data

Section 311 of the Social Security Independence and Program Improvements Act of 1994 directed the Social Security Administration (SSA) to provide support to health researchers involved in epidemiological research. Specifically, when a study is determined to contribute to a national health interest, SSA will furnish one of the following vital status determinations for each study subject:

- Death information (the date of death and State where a claim was filed, or the State of residence at the time of death) if available;
- Presumption that the individual is living (there is sufficient information in SSA administrative records to support this determination);
- Status unknown (SSA has no record of death, nor sufficient information within the SSA administrative records to support a determination that the individual is alive);
- Social Security number (SSN) verification failed (the SSN and name furnished to SSA did not match or the date of birth furnished for an SSN/name did not match the information in the SSA administrative records); or
- The SSN was impossible or had never been issued.

For further information on this service, contact Ms. Cheryl Williams, Office of Research, Evaluation and Statistics, 4-C-15 Operations Building, 6401 Security Boulevard, Baltimore, MD 21235; telephone 410-965-5540. SSA will recoup all expenses incurred in providing this information.

OASDI and SSI Cost-of-Living Increases for 1998

The 1998 cost-of living increase is 2.1 percent for Old-Age, Survivors, and Disability Insurance (OASDI) beneficiaries and Supplemental Security Income (SSI) recipients. The increase is reflected in Social Security benefits for December 1997 (which were payable on January 2, 1998, and in the January 1998 SSI payments (which were payable on December 31, 1997).

These increases reflect the rise in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) from the third calendar quarter of 1996 to the third calendar quarter of 1997. The previous year's increase was 2.9.

As a result of the 2.1-percent increase, the average monthly

Social Security benefit for retired workers rose from \$749 to \$765; the average Social Security benefit for a widowed mother and two children increased from \$1,491 to \$1,522; and the Social Security benefit for a disabled worker, spouse, and one or more children changed from \$1,173 to \$1,198. The average monthly Social Security benefit for all disabled workers was \$707 before the 2.1-percent cost-of-living increase. After the increase went into effect, the average benefit was \$722.

Under the SSI program, the maximum monthly Federal SSI payment to an eligible individual living in his or her own household and with no other countable income rose from \$484 to \$494. For a couple, where both members are eligible, the maximum Federal SSI payment increased from \$726 to \$741.

Increases in Annual Contribution Rates and Exempt Earnings Amounts for 1998

A number of increases affecting the Old-Age, Survivors, Disability, and Health Insurance (OASDHI) program went into effect on January 1, 1998. The changes required under the Social Security Act represent adjustments based on increases in national average levels.

The maximum earnings base for Social Security and Medicare taxes increased from \$65,400 to \$68,400; earnings above this amount continue to be taxed for Medicare Part A. The Omnibus Budget Reconciliation Act of 1993 (OBRA 93) repealed the limitation on the amount of earnings subject to taxation for Medicare. This amount of earnings, called the Medicare contribution base, had been subject to automatic annual increases based on increases in average annual wages.

The 1998 contribution rate for employers and employees remains at 7.65-6.20 percent on wages, up to the applicable maximum taxable amount for OASDI and 1.45 percent for the Medicare portion, which has no limit. The rate for the self-employed remains the same at 15.30 percent.

For beneficiaries aged 65-69, the monthly exempt amount under the retirement earnings test in 1998 is \$1,209, up from \$1,125 for 1997. For those under age 65, the new 1998 monthly exempt amount is \$760, an increase of \$40 from the 1997 figure. A person may earn any amount without incurring loss of benefits if he or she is aged 70 or older.

In 1998, a worker with \$700 in covered employment was credited with a quarter of coverage. To earn a quarter of coverage in 1997, an individual needed to have \$670 from employment covered by Social Security; he or she may earn a maximum of 4 quarters of program covered earnings per year.